



**Town of Nantucket**  
**Policy and Procedures for**  
**Reimbursement of Business Related Expenses**  
Adopted June 12, 2002

**Policy**

The purpose of this policy is to establish guidelines for payment and reimbursement of reasonable travel expenses incurred while conducting Town business. This policy also covers the reimbursement of professional entertainment expenses and departmental expenses.

Employees, elected and appointed officials, and contractors must remember that they have a fiduciary responsibility to the taxpayer and need to expend funds in a responsible manner. Accordingly, only those funds directly attributable to the operation of the Town are reimbursed.

Although business expenses are reimbursable, Town employees are encouraged to identify and have the Town prepay all expenses; (e.g. plane tickets, hotel accommodations) or have expenses directly billed to the Town. If reasons prevent prepayment, checks paid directly to the vendor may also be disbursed and issued to the employee or official.

**Applicability**

This policy shall apply to all Town employees, elected officials, appointed officials, consultants, and contractors engaging in official Town of Nantucket business.

**Out-of-State Travel**

All requests for out-of-state travel shall be pre-approved by the appropriate official. Employees or town officials in departments under the direct jurisdiction of the Board of Selectmen shall submit the "Request for Out-of-State Travel" form to the Town Administrator **prior** to the proposed dates of travel.

**In-State Travel**

Employees shall receive pre-approval for in-state travel by their immediate supervisor and/or department head. Elected or appointed Town officials shall receive pre-approval for in-state travel from the appropriate department head, commission chair or the Town Administrator.

**Lodging**

All reasonable lodging expenditures directly associated and specific to the purpose of a business trip shall be reimbursed.

Employees are expected to make lodging reservations in advance and take action to secure the lowest reasonable rate available. A hotel/motel receipt is required for all lodging claims. Lodging expenses shall not be reimbursed for additional days if an individual extends travel time for personal convenience in advance of or following official business.

## Modes of Transportation

### Use of Personal Vehicles/Mileage Reimbursement

Effective January 1, 2005, approved use of personal automobiles for official Town business shall be reimbursed at the Internal Revenue Service (IRS) rate of **40.5** cents/mile. The Town's rate will be adjusted to match the IRS rate for mileage reimbursement.

### Ferry

Travel on the Steamship Authority is encouraged. Individuals must complete an SSA travel voucher prior to travel and present the approved voucher to the Steamship Authority at the time of travel. Vehicle reservations for official business shall be charged to the appropriate SSA account number through Town departments. Note: travel on the SSA fast ferry is not included in the Town's discount arrangement with the SSA.

### Airlines

Air travel should be used when other reasonable methods of transport are not otherwise available and time schedules require the additional expense. Local travel: Individuals should to travel to and from Hyannis on the commercial airline that currently holds the contract for this service with the Town. Employees and officials should acquire commuter tickets from their department or commission. For other air travel, the lowest reasonable rate available should be acquired.

### Rental Cars

The lowest available rate should be acquired for rental cars. Individuals are encouraged to have rental car expenses directly billed to the Town.

### Miscellaneous

Travel in taxis, buses, shuttles for official Town business shall be reimbursed. Receipts must be provided in order to receive reimbursement.

### Meals

Expenses for meals will be reimbursed during business travel. However, to prevent abuse and to maintain simplicity, a per-diem is established in the amount of forty-two dollars (\$42.00). No receipts are required for meal expenses. The per-diem amount will be automatically given for each full day of travel during which the employee or official is conducting town business. The per-diem amount shall include any and all meal gratuities. Travel documentation must clearly evidence that the full per-diem amount was necessary and appropriate.

If fewer than three (3) meals per day are to be paid for by the individual during business travel, then the following meal schedule shall be used:

Meal	Maximum Allowance*	Applicable Period
Breakfast	eight dollars (\$8)	on work status before 7:00 AM
Lunch	twelve dollars (\$12)	on work status from 8:30 AM to 5:00 PM
Dinner	twenty-two dollars (\$22)	on work status after 7:00 PM
* Maximum Allowance includes gratuity.		

Allowance for meals shall **not** be authorized under the following conditions:

1. When an employee or town official will not incur expenses for meals because meals are furnished
2. Where meals are included in the registration fee of a meeting, seminar or conference.
3. Individual extends travel time for personal convenience in advance of or following official business.

### **Business Appointments**

Reasonable expenses for business appointments shall be reimbursed. Professional courtesy expenses will be reimbursed (e.g. lunch conducted with job candidates, taxis). Per M.G.L. c. 44 § 58, reimbursement of alcoholic beverages is prohibited.

Meals for business appointments shall be reimbursed in accordance with the meal schedule listed above. Entertainment expenses shall not include reimbursement for persons not directly associated with Town business. For example, the lunch expense for a job candidate's significant other shall be excluded from the reimbursement.

### **Miscellaneous Expenses**

Only those business expenses, except meals, supported by itemized receipts will be considered eligible for reimbursement. Furthermore, it should be noted that receipts that have been provided as ticket stubs and other receipts without any cost itemizations, must attach an accompanying cash register receipt.

### **Payment of Reimbursable Expenses**

Employees and officials shall submit the following to the Accounts Payable Department to receive reimbursement:

- Expense report form, completed and signed by department head/supervisor
- Seminar/Conference/Meeting agenda showing date(s) and time(s)
- Hotel, airline, taxi, bus, parking, toll receipts
- Out-of-State travel approval form (if appropriate)

### **Non-Allowable Expenses**

- Alcoholic beverages
- Expenses for family or guests
- Personal travel insurance
- Valet services
- Personal entertainment
- Personal transportation
- Medical or hospital expenses
- Personal toilet articles, postage, reading material, personal telephone calls
- Theft, loss or damage to personal property

**NOTE:** Expenses incurred by the employee as a personal add-on or incurred inflationary expenses will not be reimbursed. An example of a personal add-on would be extending a town business trip to include a personal vacation. Any expenses incurred resulting from the add-on such as increased car rentals, hotel lodging or increased ticket prices are considered add-on expenses. An example of an inflationary expense would be an upgrade of a ticket from coach to first class or an upgrade in other accommodations. Add-on expenses and inflationary expenses will be the sole responsibility of the employee.

**Cash advances for travel, lodging, meals and/or entertainment are not permitted.**

**Departmental Expenses**

In most circumstances, departmental expenses relating to the purchase of food, beverages, flowers, gifts, cards, etc. shall not be paid for from operating budgets and shall not be reimbursed to employees incurring said expense on behalf of a department. These expenses are outside the scope of municipal operations.